

operating the way it was operating in the old or current premises should make up the selling price allowable to the person who has to move to make way for any civic improvement—freeway, redevelopment, etc.”

Another: “I do think the Government should be realistic in all appraisals and watch out for the deceit and fraud practiced by persons with insider information on project locations, whereby some people make a lot of money.”

Another: “The compensation for reestablishing a business should have a reasonable relationship to the comparable costs for the business establishment in the original location, based on prior records of the business concerned.”

Another: “I think the Government should compensate the businessman if he is forced to move from an established location. If the law is too liberal, however, a great number of businessmen are going to take advantage of a given situation, and try to make money by charging the Government with all sorts of costs and losses. Compensation, and other adjustments due to Government projects should be based on Federal income tax reports prior to the project and after the project went into effect. This is the only true yardstick whether the move by a business to another location was detrimental or perhaps quite beneficial to the business. A situation of this nature will occur to a great many of the businesses along U.S. Highways 36-40 in Denver, Colo., after interstate 70 will bypass the main business arteries in Denver in approximately 15 months. We have formed a merchants group, just to work out plans how to minimize the loss of business due to the new highway. These projects naturally affect small businesses to a much larger extent than heavy industry, or large companies.”

Another: “This [compensation] should be open negotiation and handled on a business-like basis. Naturally, there will be differences and there will be those on both sides trying to take unfair advantage. Some form of arbitration can be worked out on these few. I believe 99 percent can fairly negotiate so that small business will not be hurt.”

Another: “This is a very touchy problem and about every project has a different effect on business. I think every locality should have a locally appointed seven member board of independent businessmen to judge what to do about these situations, then approved by the U.S. Government.”

Another: “Fair market value should be paid for properties taken over, based on value prior to the determination that such properties need to be purchased for the Government project. The period for determining fair market value should be at least 6 months prior to final determination of the project.”

Another: “Actual losses should be paid in full. Intangibles should be considered, but weighed carefully. A system of impartial, knowledgeable referees to arbitrate these matters might be useful.”

Another: “No blanket law should cover all cases. Real estate boards or arbitration boards should be used to determine losses. Provisions should be built in to protect the Government (taxpayers) against opportunists.”

Another: “What is just compensation? A man owns plant and has for many years. Plant has been maintained and modernized. He should be compensated not on assessed value or even appraised value but on actual cost of equal facilities. If the Government did not require his moving, he could go on for many years without such expenditure. Why must he be put to added costs without compensation. However, if he moves to another city or State which furnishes plant free and even tax free, some penalty should

be forthcoming to compensate community he leaves for loss of payroll, etc.”

What about damages to areas not immediately adjacent to area of construction? Sometimes blasting, etc., alters rock formations even miles from area, causing settling that otherwise would not have occurred. Many other factors, such as traffic flow, are also altered far from project. Some relief should accrue.

To sum up our findings in this survey, they show:

1. Relocation is a very costly process for many independents. Many experience losses for which they are not adequately compensated.

2. While compensation is judged inadequate, a majority of those who have moved report that it was not a factor in compelling business retrenchment.

3. There is support for liberalized compensation, however it extends only into the areas of tangibles—items like machinery, equipment, fixtures, moving costs, et cetera, which are readily verifiable, and not into the area of intangibles—items like living costs, lost income, et cetera, which are not so easily verifiable.

4. While there is support for liberalized compensation, there is also strong insistence that this be provided with strict safeguards for the public purse.

5. Despite the difficulties encountered by those who had completed their moves and those left in fringe areas, and despite the difficulties anticipated by those facing the need to move:

(a) A significant number (60 percent) of firms which had completed their moves reported income as great as or greater than that in their old locations, as against 40 percent of those left behind in the fringe area.

(b) Three of the 79 firms in these categories reported having to close down their operations—two because of seemingly poor redevelopment planning, one because of diversion of a highway necessary to his trade, and one for reasons that are not clearly indicated.

6. There is, seemingly, a great need for improved informational procedures for the benefit of firms affected by these programs.

7. While there is some criticism of the concepts—chiefly urban redevelopment and ARA, chief criticism is over the need for improvement in the laws and the procedures involved in them.

DOMESTIC BEEF SITUATION GROWS STEADILY WORSE

(Mr. GURNEY (at the request of Mr. NELSEN) was granted permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GURNEY. Mr. Speaker, for the past four months, while the domestic beef situation has grown steadily worse as a tremendous volume of foreign beef products flowed into this country, the administration has been asking us to avoid the introduction of legislation to establish limitations. Furthermore, we have been asked not even to talk publicly about the matter lest we upset our balance of trade with Australia, or endanger our negotiating position with the Common Market.

We were assured the voluntary negotiations then being conducted with Australia and New Zealand would produce a remedy for the problem. The negotiations have concluded, but the results are a long way from the cure. Moreover, they are a slap in the face of the American cattle industry.

It has become quite clear that unless beef imports from these two countries, plus the tons of beef products coming to Florida ports from Latin America are curtailed, our domestic cattle industry faces a multimillion dollar loss.

While we are standing here today a flotilla of ships is approaching the United States from Australia loaded down with more than 30 million pounds of beef. This is equal to 72,545 head of cattle. This means American producers must retain this number of cattle on their ranches, resulting in increased costs, in the loss of labor for handling, slaughtering, and butchering. In short, it means a multimillion dollar loss to the Nation's economy.

Today, I have introduced a bill to limit beef imports to half of the 5-year average prior to December 31, 1963.

This will offer prompt relief to our domestic producers while still maintaining the United States as a fair market for foreign producers.

We are well aware of the value of the favorable balance of trade, but we cannot stand by and watch our American cattlemen go down the drain. Unless we take immediate action this may happen.

The time for action is now. Every day we delay costs our cattle producers untold thousands of dollars.

ARTICLE CHARGES U.S. AGENCIES PENETRATED BY REDS

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. ASHBROOK] is recognized for 15 minutes.

Mr. ASHBROOK. Mr. Speaker, earlier today I addressed the House and commented on the article which appeared in the Monday, March 3, 1964, New York Journal-American. It points out charges which certainly should be investigated so the American people can know the truth in this important matter. It is no secret that the State Department has been working hard to conjure up the picture of Soviet Communists as “mature” and “responsible” world leaders who are gradually shaking off their rough ways. Our foreign policy is based on an unreal appraisal of our sworn adversaries and as a part of this effort, the American people have been deluged with propaganda. The Journal-American article presents a direct contrast to the pie-in-the-sky approach of the State Department and it should be thoroughly aired by a congressional committee which would be free of the builtin restraint of alibi on its own failures.

The Journal-American article concerns one Michal Goleniewski, a defector from the Soviet secret police, who has proven a valuable informer in the past but, according to the story written by Guy Richards, has many further stories to tell concerning Red penetration of our State Department and even the Central Intelligence Agency. Mr. Goleniewski received the following endorsement last year when the Congress passed a private bill providing for his naturalization:

Rep. John M. Ashbrook